

# *2009 Annual Report*

ALASKA HOUSING FINANCE CORPORATION



AHFC is a self-supporting public corporation with offices in 16 communities statewide. We provide statewide financing for multi-family complexes, congregate facilities, and single-family homes, with special loans for first-time home buyers, low-to-moderate income borrowers, veterans, teachers, nurses, public safety officers, and those living in rural areas of the state. AHFC also provides energy and weatherization programs, low-income rental assistance in 17 communities, and special programs for the homeless. Since 1986, AHFC has contributed more than \$1.9 billion to Alaska's State budget revenues through cash transfers, capital projects, and debt service payments.



OUR MISSION: TO PROVIDE ALASKANS ACCESS TO SAFE, QUALITY, AFFORDABLE HOUSING



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DAN FAUSKE  
CEO/EXECUTIVE DIRECTOR



FRANK ROPPEL  
AHFC BOARD CHAIR



THE HONORABLE SEAN PARNELL  
GOVERNOR, STATE OF ALASKA  
JUNEAU, ALASKA

Dear Governor Parnell:

This past year, Alaska Housing Finance Corporation successfully steered its way through the worst housing crisis in modern U.S. history. While many of the nation's state housing agencies ended the year with huge losses, AHFC posted a net operating income of \$21 million, albeit down \$14 million from the previous year.

A massive infusion of federal dollars into the failed government-sponsored enterprises Fannie Mae and Freddie Mac resulted in a situation where the two GSEs could offer mortgage loan interest rates that were less than the cost of bond capital for AHFC. As a consequence, for almost the entire past year, the Corporation could not compete in Alaska's mortgage market. The Corporation's financial team addressed the problem by recycling older, lower cost funds, making it possible to offer lower mortgage interest rates for first-time homebuyers and veterans and to begin recovering lost market share.

This year, our Finance, Mortgage, and Planning departments put together a creative approach for financing the second phase of the construction of the 272-unit Weeks Field affordable family housing complex in Fairbanks. Similar to the package developed in 2008 for the first phase, this year's financing involves tax credits, grants, and mortgage loans being used to demolish one apartment building at a time to convert the half-century-old Fairview Manor into new housing. AHFC's Board of Directors this year also approved a \$5 million package to finance a separate 20-unit housing apartment for seniors being built on the site. It will be called Raven Landing.

In Anchorage, AHFC's Public Housing Division developed an innovative plan for financing the demolition and rebuilding of the 62-unit Loussac Manor. Like Fairbanks' Fairview Manor, the 45-year-old facility in Anchorage has outlived its useful life and needs to be replaced. The plan envisions a public/private



partnership that would leverage \$10 million from AHFC to generate \$30 million and produce 120 affordable units on the site, maintaining at least 62 public housing units, along with low-income units built with tax credits and market-rate rentals.

Public Housing this year continued implementation of “Moving to Work” strategies including an emphasis on project-based vouchers to accommodate special needs populations. A project-based voucher differs from a traditional tenant-based voucher by having the assistance attached to a specific unit rather than a family or individual. This helps ensure a development “pencils out” by enabling an adequate revenue stream from special needs and low-income families. Project-based assistance is a way to help special needs families who might not otherwise be able to compete favorably in the rental marketplace.

The Alaska Council on the Homeless, in which AHFC has a leadership role, this year unveiled its 10-year plan, recommending 1,000 new housing units over the next 10 years, 500 new rental-assistance vouchers, 160 supportive-service slots, and \$3 million annually to establish a coordinated pool of funds for prevention activities. The plan also calls for redirecting existing resources and greater interagency cooperation, the creation of supportive housing to allow homeless with co-occurring disorders to live independently or under supervision, and rental assistance for families and individuals who need short-term assistance.

Our busiest work team this past year had to be the folks in the Research & Rural Development Division (R2D2). This was the kick-off year for implementing the expanded Weatherization and Home Energy Rebate programs, which received a multi-year appropriation of \$360 million from

the Legislature (contrasted to less than \$6 million a year previously). R2D2 initially focused on getting a trained workforce to meet the demand for energy raters, contractors and skilled labor.

For the Weatherization Program, R2D2 closely worked with the five weatherization service providers and 15 regional housing authorities to fund the renovation of 1,740 homes in 56 communities. The work included energy efficiency and health and safety modifications. Prior to this year, an average of 600 homes were modified each year. Next year we expect modifications on 4,000 homes.

The Home Energy Rebate Program, which had been dormant for more than a decade, took off running once it was funded again. More than 15,000 Alaskans applied to participate this year. Almost 1,400 have completed their applications, and AHFC encumbered more than \$90 million to meet the potential qualifying rebates. R2D2 staff each week processes about 250 applications and receives more than 1,000 phone calls regarding the program. The response from Alaskans who have participated has been terrific. People report lowering their utility bills and living in more comfort thanks to the improvements made.

Weatherization and Energy Rebate are two of the dozens of successful AHFC programs presented in this Annual Report. We are proud to present to you the details of the Corporation’s many ongoing accomplishments.



Daniel R. Fauske



Franklin C. Roppel

# AHFC BOARD OF DIRECTORS & CEO

AHFC's seven-member board of directors is comprised of the commissioners of the Departments of Revenue; Commerce, Community & Economic Development; and Health & Social Services, as well as four members of the public appointed by the governor to serve two-year terms.



## Franklin C. Roppel, Chair

Mr. Roppel was appointed to the board in July 2003 as a member with expertise or experience in the provision of senior or low-income housing. He was recently elected to his fourth term as board chair. Mr. Roppel has a B.S. from Oregon State University. He has a total of 18 years on the board, having served previously on the Alaska State Housing Authority board from 1974–1977 and on the AHFC board from 1975–1987. He retired from Alaska Pulp Corporation in 2001 and formerly worked for Sealaska Timber Corporation.



## Brent Levalley

Mr. Brent Lavalley was appointed to the board in June 2009 as a member with expertise or experience in finances or real estate. He earned a B.S. in labor relations and economics at Michigan State University. Mr. Lavalley has been with Denali State Bank since 1994 and has 37 years experience in construction and commercial lending mostly centered in Interior Alaska. He serves on the board of the Cold Climate Housing Research Center.



## N. Claiborne "Clai" Porter, AIA, Vice-Chair

Mr. Porter was appointed to the board in May 2005 as a member with expertise or experience in residential energy-efficient home building or weatherization. He is president of NCP Design/Build Ltd. in Anchorage and has over 30 years' residential design and home building experience in Alaska. Previously he served as president of the Anchorage Homebuilders Association, president of the Alaska Homebuilding Association, and board chair of the Cold Climate Housing Research Center.



## Marty Shuravloff

Mr. Shuravloff was appointed to the board in February 2000 as a member who is a rural resident of the state or who has experience with a regional housing authority. He is the executive director of the Kodiak Island Housing Authority. Mr. Shuravloff serves on the board's audit committee.



### **The Honorable Patrick Galvin**

Mr. Galvin was appointed Commissioner of the Department of Revenue in December 2006. Prior to his appointment, he served as a Petroleum Land Manager for the Alaska Department of Natural Resources, Division of Oil & Gas. He holds a Bachelor's degree in Visual Arts and Quantitative Economics from the University of California, San Diego, a Law Degree from the University of San Diego, and an MBA from San Diego State University.



### **The Honorable Emil Notti**

Mr. Notti was appointed Commissioner of the Department of Commerce, Community & Economic Development in December 2006. He is an engineer, a prominent Alaska Native leader, and an Alaska public servant. Mr. Notti graduated from Northrop University with a dual degree in aeronautical and electrical engineering. His extensive background includes first president of the Alaska Federation of Natives and past president of Doyon Limited. Mr. Notti holds an Honorary Doctorate degree from Alaska Methodist University.



### **The Honorable William "Bill" H. Hogan**

Mr. Hogan was appointed Commissioner of the Alaska Department of Health & Social Services in July 2008.

He has spent more than 30 years in the mental health, substance abuse, developmental disabilities, and social work fields. Before joining the Department in 2003, he was Chief Executive Officer of Life Quest, a private, nonprofit community mental health center located in Wasilla, Alaska.

Mr. Hogan holds a Bachelor of Arts in Sociology from State University of New York and a Master of Science in Social Work from West Virginia University.



### **Daniel R. Fauske, CEO/Executive Director**

Mr. Fauske became the CEO/Executive Director in March 1995. He has served on the Governor's Jobs Cabinet and the Millennial Housing Commission. Currently, he serves on the board of directors for the Federal Home Loan Bank of Seattle, the National Community Renaissance, and is chair of the Governor's Alaska Interagency Council on Homelessness. Prior to his career at AHFC, Mr. Fauske worked for the North Slope Borough, serving as the Borough's Chief Financial Officer and Chief Administrative Officer.



# Energy & Weatherization

*With the \$360 million expansion of the Home Energy Rebate Program and Weatherization Program to help Alaskans reduce their fuel bills, AHFC geared up quickly to provide adequate staffing, training and monitoring, as well as meeting the demands for additional energy raters and weatherization crews.*

## THE POPULAR HOME ENERGY REBATE PROGRAM

/// Alaskans receive cash back for energy improvements

The Home Energy Rebate Program (HERP) helps Alaskan homeowners lower the cost of heating their homes. If a homeowner doesn't qualify for the Weatherization Program due to income limits, HERP provides homeowners with reimbursements for specific energy-efficiency improvements. The more a home's efficiency improves, the greater the potential rebate – up to a maximum of \$10,000. The Alaska State Legislature allocated a total of \$160 million for the program in April 2008 and August 2008.

Among those reporting lower utility bills and more comfortable living conditions are Jim and Carolyn Crouch.



/// **Home Energy Rebate**  
PROGRAM





Jim moved to Alaska in 1963 with the military. He was stationed at Elmendorf Air Force Base and met Carolyn at Pizza Bob's in Anchorage. They eventually married and bought a house on Wagner Street. "It was a one-lane moose trail at that time. It was hard to pass two cars," Jim said. After retiring from the Air Force, he joined the Air National Guard as a civilian flight engineer and retired after 30 years. Carolyn worked for APOC for a short time, but retired from the State after spending most of her working years with the Department of Fish and Game.

Because their house was close to 40 years old and came in about 2-Star on the as-is energy rating – "A little better than a tent," Jim quipped – they decided to do everything they could to make it more energy efficient. The main thing that needed replaced was the boiler. Their new boiler, which is 95 percent efficient, "is one of the best you can buy," Jim said. They installed hot water heat in the rec room that had previously been all electric. "That in itself is going to save us a bunch of money," Jim said. The couple had the crawlspace

reinsulated with foam, put blue foam insulation around the foundation pad, caulked everything that could possibly leak, recaulked and resealed all the windows, and installed a new insulated energy-efficient door on the rec room. The results were a 4-Star Plus. "It's been four months," Jim said, "and we're saving on gas and, yes, we're saving on electricity. And there's just general comfort in the house. The whole process wasn't very stressful. Everybody was just super nice."

HERP requires a certified home energy rating before (As-Is) and after (Post-Improvement) any work is done. The costs of the ratings are covered by AHFC, up to a total of \$500 per home (\$325 As-Is and \$175 Post-Improvement).

More than 15,000 Alaskan homeowners applied to participate this year. Almost 1,400 completed their applications, and AHFC encumbered more than \$90 million to meet the potential qualifying rebates.

Certified energy raters, which are privately owned businesses, are the key to providing information and projecting savings of recommended energy improvements using AHFC's AkWarm™ software. With the huge demand for the rebate program, AHFC quickly coordinated the training and increased the number of statewide certified energy raters from 30 to 107.

LEFT: ANNIKA ENKVIST VISITS HER GRANDPARENTS CAROLYN AND JIM CROUCH. THE CROUCHES HAVE NOTICED SUBSTANTIAL SAVINGS ON ENERGY BILLS SINCE WEATHERIZING THEIR HOME THIS YEAR.

## ENERGY IMPROVEMENTS THROUGH WEATHERIZATION

Warmer home, more money in your pocket



**Weatherization**  
PROGRAM

ABOVE: LARRY NIX WEATHERIZES THIS HOME IN KETCHIKAN ON BEHALF OF ACDC, ONE OF AHFC'S FIVE WEATHERIZATION SERVICE PROVIDERS ACROSS ALASKA. THE HOME IS ONE OF 1,740 UPGRADED THIS YEAR IN 56 COMMUNITIES STATEWIDE.

All Alaskans have been affected by rising energy costs, and AHFC recognizes the role weatherization plays in reducing these costs. The \$200 million expansion of the 30-year-old Weatherization Program will benefit thousands of families statewide. Alaskans with low-to-moderate incomes (up to 100 percent of the median), living in owner-occupied homes, condos, rentals and mobile homes qualify for free weatherization upgrades.

The work, performed by five weatherization service providers and the 15 regional housing authorities, includes energy efficiency and health and safety modifications. Prior to this year, an average of 600 homes were modified each year. Next year we expect 4,000 families to benefit from the weatherization of their homes.

Sharon Ishnook of St. Michael participated in the Weatherization Program in 2008. "We had our windows and doors changed, and it's definitely warmer. We pay our own bills, and we did see a big reduction on fuel, probably \$3,000 - \$4,000 in savings. The people did a good job."

Debbie Ramin of Meadows Lake expressed her gratitude for the program, saying, "I feel very fortunate to live in a state that offers this." She said everyone in the Palmer office [Alaska Community Development Corporation (ACDC)] was helpful and efficient, and "(I) felt like I was not a 'number.'" Ramin said the entire roof structure needed to be redone since all the heat was escaping through the rotted vapor barrier.

AHFC's efforts are now focused on training a workforce to meet the statewide demand for weatherization. (To see if you qualify and to obtain a list of service providers in your area, go to our Web site at [www.ahfc.us/energy](http://www.ahfc.us/energy)).



## 5-STAR PLUS NEW CONSTRUCTION ENERGY REBATE

/// Owners of new energy-efficient homes receive \$7,500

As part of the Home Energy Rebate Program, AHFC is offering rebates on newly built 5-Star Plus homes. To qualify for the rebate, the home must be owner-occupied, a primary residence, and purchased on or after April 5, 2008, and not more than one year old at the time of the first sale.

IN FY09, AHFC:

- Operated the Weatherization Program through upgrades performed by service providers and housing authorities, to help 1,740 low- to moderate-income Alaskan families in 56 communities stay warm and save on their energy bills. Eighty-five percent of the homes were owner-occupied; more than 70 percent consisted of a senior citizen or a person with disabilities; and 51 percent included children under the age of six
- Increased the number of statewide energy raters from 30 to 107
- Processed 13,490 energy ratings for HERP
- Dispatched energy raters to perform 16,688 AkWarm™ ratings for the Rebate Program
- Reduced the number of Alaskans on the energy rating waitlist from more than 9,500 to 4,874; decreased waiting time from several months to a few weeks in most locations of the state
- Provided an average rebate of \$6,024 for 912 families who completed the HERP process
- Estimated annual savings of \$1,300 per family on a net outlay of under \$4,000
- Provided 294 Alaskans with \$7,500 rebates for their new 5-Star Plus energy-efficient homes
- Provided loans to 46 homeowners to fund energy improvements under the Second Mortgage for Energy Conservation

## SECOND MORTGAGE FOR ENERGY CONSERVATION

/// Loans help homeowners make energy improvements

With the increased emphasis on energy upgrades, AHFC implemented a loan program to help pay for those improvements. Forty-six homeowners applied for and received loans averaging \$20,600 for a total of nearly \$1 million invested in the program.

Owner-occupants can apply directly to AHFC with the application found online ([www.ahfc.us](http://www.ahfc.us), click on Loans). At the same time, homeowners should sign up to receive an energy rating through an AkWarm™-certified energy rater, who develops a list of energy-efficient upgrades. Homeowners can choose options from the list that best fit their needs. When the loan closing is complete, homeowners have one year to complete improvements. Loans of up to \$30,000 will have an interest-only payment period, maximum term of 15 years, and match AHFC's Taxable Program 15-year interest rate.



# Affordable Rental Housing for Alaskans



MALLORY MARLOW (STAFF MEMBER), LISA HARRIS (SITE DIRECTOR) AND D'ANGELO BELTON ENJOY A HEALTHY SNACK AT THE CAMP FIRE PROGRAM IN FAIRBANKS.

## CAMP FIRE CATERS TO KIDS

Live a healthy life and care for the world—theme for program to prevent drug abuse

For the past three years, Camp Fire USA Alaska Council has provided after-school and summer programs for a total of 73 youths at AHFC's Spruce Park and Birch Park public housing sites in Fairbanks.

Operated through a substance abuse prevention and intervention grant, the center is open on weekdays four hours a day during the school year and six hours during the summer months, with an average daily attendance of 35. Camp Fire serves nearly 800 breakfasts and healthy afternoon snacks each month.

In addition to helping youth with homework, the multi-faceted school year activities consist of 36 field trips, learning to cook, problem solving, conflict resolutions skills, art appreciation and sports clinics. Summer months are dedicated to a camp where kids learn about living a healthy lifestyle and caring for the world around them. Youth are involved in such activities as track and field, caring for plants, a summer reading program, carnival and family night, hiking, canoeing, kayaking, archery and swimming.





## HOUSING FOR TEACHERS, HEALTH PROFESSIONALS AND PUBLIC SAFETY OFFICERS

Professionals stay in rural Alaska with quality, affordable housing

Lack of available quality, affordable housing has been identified as a primary reason rural communities have a difficult time recruiting and retaining professionals, such as teachers, health care workers and public safety officers. Since AHFC introduced a program in 2004 to help rural communities with the construction and rehabilitation of professional housing, 204 teachers and health care workers have an adequate place to live. The program provides long-term loan financing and proceeds from AHFC's annual earnings to help communities develop and rehabilitate affordable housing for professionals in these career fields. The program is having a positive impact particularly in rural school districts as more teachers accept job offers and renew their contracts where this housing is available.

- In FY09, AHFC provided 61 rural professionals with new or rehabilitated housing using \$8 million in awards for 13 projects throughout rural Alaska
- Since 2004, in partnership with the Denali Commission, AHFC has provided 263 teachers, health professionals and public safety officers new or rehabilitated housing through awards of \$66.7 million



LEFT: THIS NEW HOUSING IN NEW STUYAHOK AND NANWALEK WILL PROVIDE QUALITY, AFFORDABLE HOUSING FOR 10 TEACHERS IN THESE VILLAGES.



## IMPLEMENTING THE MOVING TO WORK PLAN

### Project-based assistance benefits families

AHFC continued implementation of “Moving to Work” strategies, including an emphasis on project-based vouchers to accommodate special needs populations. A project-based voucher differs from a traditional tenant-based voucher by having the assistance attached to a specific unit rather than to a family or individual. This helps ensure a development “pencils out” by enabling an adequate revenue stream from special needs and low-income families. Project-based assistance is a way to help special needs families who might otherwise not be able to compete favorably in the rental marketplace.

AHFC is one of a small number of designated “Moving to Work” agencies nationwide. Moving to Work (MTW) is a demonstration program that allows public housing authorities (PHAs) to design and test ways to:

- Promote self-sufficiency among assisted families;
- Achieve programmatic efficiency and reduce costs; and
- Increase housing choice for low-income households.

PHAs in the MTW demonstration program have considerable flexibility in determining how to use federal funds. For example, they can combine funds from the public housing operating and modernization programs and the



Housing Choice Voucher tenant-based rental assistance program to meet the purposes of the demonstration. PHAs selected for the demonstration are also permitted to seek exemption from most existing public housing and HCV Program rules.

This year, AHFC:

- Provided rental assistance to nearly 6,000 families through Housing Choice Vouchers for rentals in the private sector and AHFC-owned public housing
- Provided more than 600 assisted rental units for seniors and persons with disabilities
- Contributed \$25.4 million to private landlords for rental assistance for Alaskans who earn less than 50 percent of the median income
- Completed initial survey, programming and preliminary site planning for Loussac Manor family housing complex in Anchorage and submitted demolition/disposition application to HUD for replacement
- Completed renovation of three public housing fourplexes at North Hoyt Street in Anchorage
- Replaced siding at Cedar Park family housing in Juneau
- Completed design work to convert heating system in Wrangell to inexpensive hydro-electric power
- Completed construction of maintenance facility in Nome



ROBERTA ECHOLS EMBROIDERS IN HER HOME AT SOUTHALL MANOR IN FAIRBANKS, ONE OF AHFC'S 40 SENIOR HOUSING UNITS.

## SENIORS – ALASKA'S FASTEST GROWING POPULATION

### Programs keep seniors in Alaska

Roberta Echols moved into and out of Alaska several times since the 1970s. She's lived in and around Fairbanks, including Nenana and North Pole, since 1998 when she returned to Alaska to stay. She worked as a cook at the Denali Center prior to its move. Echols first lived in Southall Manor in 1999, but moved to Golden Towers when the Manor was being remodeled. She was happy to move back to Southall when the renovations were completed, mainly for the rooms that were a little bigger.

Of Echols's eight children, three live in North Pole and a son runs a lodge near Paxson. She has numerous grandchildren and two great-grandchildren. One of her grandsons is getting married soon. She's embroidering pillowcases as a gift, but expressed concern that they might not be ready on time.

Although Alaska has the smallest percentage of seniors of any state, seniors are the fastest growing segment of Alaska's population. This makes AHFC's numerous housing programs for seniors and persons with disabilities increasingly vital to enable older Alaskans to remain in the state. AHFC's Senior Housing Office provided service to more than 700 callers in FY09. AHFC provides low-income rental housing for more than 600 seniors and persons with disabilities, and provides grants and loan programs to help make new housing construction feasible.



## HUD SECRETARY ANNOUNCES FUNDS FOR ALASKA

### Investing in Alaska

U.S. Housing and Urban Development Secretary Shaun Donovan announced more federal stimulus funds for tribal and Native organizations while visiting Alaska in August. According to the Anchorage Daily News, Donovan met with Alaska housing officials and was briefed on the state's homeless problem.

"Thanks to the Recovery Act, HUD has invested a half billion dollars in Native American and Alaska communities across the country," Donovan said. This includes both formula and competitive awards.

One of AHFC's major partners is Cook Inlet Housing Authority. Through grants and loans from AHFC, CIHA continues to invest in Mountain View with strategically targeted acquisitions for redevelopment.



ABOVE: AN EXCAVATOR BEGINS THE DEMOLITION OF A BLIGHTED SEVEN-UNIT APARTMENT COMPLEX IN EAST ANCHORAGE TO BE REPLACED WITH DUPLEX TOWN HOMES. TOP (L TO R) JEWEL JONES, FORMER AHFC BOARD CHAIR; CAROL GORE, COOK INLET HOUSING AUTHORITY; DAN FAUSKE, ALASKA HOUSING FINANCE CORP.; DIANE KAPLAN, RASMUSON FOUNDATION; HUD SECRETARY SHAUN DONOVAN; AND GLORIA O'NEILL, COOK INLET TRIBAL COUNCIL.



THE FORMER FAIRVIEW MANOR IN FAIRBANKS IS REDEVELOPED AS WEEKS FIELD AFFORDABLE HOUSING. AHFC IS PROVIDING TAX CREDITS, GRANTS, AND LOANS TO MAKE THE REDEVELOPMENT POSSIBLE.





## MULTI-FAMILY PROGRAMS INCREASE ALASKA'S AFFORDABLE RENTAL HOUSING

### Fairbanks project moves forward

This year, AHFC used a creative approach for financing the second phase of the construction of the 272-unit Weeks Field affordable family housing complex in Fairbanks. Similar to a package developed in 2008 for the first phase, this year's financing involves tax credits, grants and mortgage loans being used to demolish one apartment building at a time to convert the half-century-old Fairview Manor into new housing.

As rents continue to rise faster than incomes, AHFC's Multi-Family, Special Needs & Congregate Housing and Loan Purchase programs help expand the housing market to make rental housing more affordable and, in the case of Weeks Field, improve its quality.

- Through these programs, AHFC purchased/originated 36 multi-family loans totaling \$17.4 million in FY09.
- Since 1991, the programs have provided \$719 million in competitive-rate loans, many combined with grants and tax credits, to assist developers in building and/or upgrading 15,431 units of rental housing in 44 communities throughout the state.



## SOLUTIONS FOR HOMELESSNESS PURSUED

### Ten-year plan recommendations unveiled

AHFC has a leadership role in the Alaska Council on the Homeless, which this year unveiled its 10-year plan, recommending 1,000 new housing units over the next 10 years, 500 new rental assistance vouchers, 160 supportive service slots and \$3 million annually to establish a coordinated pool of funds for prevention activities. The plan also calls for redirecting existing resources and greater interagency cooperation, the creation of supportive housing to allow homeless with co-occurring disorders to live independently or under supervision, and rental assistance for families and individuals that need short-term aid.



## SUPPLEMENTAL HOUSING FUNDS MAKE HUD HOUSING FEASIBLE

### Housing Assistance in Rural Alaska

The Supplemental Housing Development Fund helps alleviate the shortage of decent, safe, and sanitary rental and owner-occupied housing for rural Alaskans. A rural housing needs assessment showed an immediate need for approximately 25,000 new houses and 20,000 homes in need of major repairs throughout Alaska.

In 1981, the Alaska State Legislature established the Supplemental Housing Development Grant Program to supplement HUD Indian Housing Development funds for projects constructed by regional housing authorities. Each state dollar contributed to this program leverages approximately five dollars in federal funds.

By state statute, AHFC is limited to contributing 20 percent of HUD's total development cost of a project. The funds can be used for on-site water and sewer facilities, roads to project sites, electrical distribution systems and energy-efficient design features.

- In FY09, AHFC awarded Supplemental \$7.5 million grants to seven regional housing authorities for new construction or rehabilitation of 300 houses in rural and urban Alaska
- Housing authorities have increased local hire on rural housing construction projects up to 90 percent through ongoing training and apprenticeship programs in skilled crafts
- The grants leveraged \$37.7 million in federal funds

Since its inception, AHFC has contributed nearly \$122.5 million to augment \$656.2 million in federal funds to build 10,627 rentals and homeownership homes in more than 250 communities.



## FSS PROGRAM PROVIDES INCENTIVES AND MEANS FOR SELF-SUFFICIENCY

### An all-inclusive approach

Twenty-five participants graduated from the Family Self-Sufficiency Program (FSS) in FY09. This voluntary program, designed to promote economic self-sufficiency among families receiving rental assistance, combines housing assistance with education, job training and support services to help residents find full-time employment.

THIS YEAR, AHFC:

- Assisted 25 participants in graduating from the Family Self-Sufficiency Program
- Expanded FSS, in collaboration with the Alaska Department of Public Assistance, to 10 communities





BELOW: EIGHT MORE SENIORS HAVE HOMES IN KLAUOCK WITH THIS RECENT ADDITION TO THE SENIOR CENTER.



## LOANS, GRANTS, AND TAX CREDITS BOLSTER THE AFFORDABLE HOUSING MARKET

### Our partnerships make it possible

Through partnerships, AHFC continues to expand its resources and programs. From tapping into the financial resources of federal and private grants or low-income housing tax credits, to providing low-interest-rate loans for developers and non-profits to build and rehabilitate multi-family and senior housing, AHFC continues to work effectively with our many state, federal and private partners.

Tlingit-Haida Regional Housing Authority (THRHA) recently completed additional senior housing in Klawock. Funded through a grant for \$1.8 million from the Denali Commission, the new rental apartments provide homes for eight seniors. The remodel included the addition of an elevator, a computer/reading area, storage units, and expansion of the dining facility. AHFC served as administrator for the grant.

This year, to make housing more affordable for Alaskans, AHFC:

- Used AHFC funds and \$5.7 million from the Denali Commission to award \$48.9 million in grants and federal tax credits to build and/or rehabilitate 268 rental housing units under the Low-Income Housing Tax Credit Program, Senior Citizens Housing Development Fund, and HOME Programs. Since 1987, AHFC has helped develop 4,281 units of affordable rental housing throughout Alaska.
- Provided supportive housing for 41 persons with mental illness and developmental disabilities in eight projects under the Special Needs Housing Grant Program, a joint venture of \$6.9 million among AHFC, the Department of Health & Social Services, and the Alaska Mental Health Trust Authority
- Submitted six grant applications for various AHFC and public housing programs and received \$1.5 million in federal awards (HOPWA, Shelter Plus Care, HUD Technical Assistance Program)





## ALASKA HOUSING LOCATOR WEB SITE CONNECTS RENTERS WITH LANDLORDS

### Resources at your fingertips

At AHFC, we know how difficult it can be to find available rental housing. That's why we, in conjunction with RentLinx, provide [www.alaskahousinglocator.com](http://www.alaskahousinglocator.com). This Web site connects tenants with landlords in a free, easy-to-use, interactive manner. With 24-hour access, Alaskans can now search through statewide listings for available housing. The Web site features easy-to-use search criteria and allows prospective tenants to view photos and locations of rental units throughout Alaska. Interactive maps automatically pop up, and someone visiting the Web site can view descriptions, availability, rents, amenities including accessibility and photos for available rentals. A Housing Choice Voucher (Section 8) locator is an added feature.

The service is also free to landlords who can list their rentals on the Web site, update availability, provide unlimited photos, attach an application and track leads, putting Alaska tenants in touch with landlords at the simple touch of a button.



# Homeownership

## A LITTLE HELP MAKES A BIG DIFFERENCE

Ketchikan subdivision completed



The Shaa Tlein subdivision in Ketchikan was developed using AHFC's Low-Income Housing Tax Credits. Tlingit-Haida Regional Housing Authority produced 20 units of single-family and zero-lot rent-to-own homes, along with four multi-family rental units in partnership with Ketchikan Indian Community. Located at the top of Carlanna and Jackson Steets in Ketchikan, the property has spectacular views, special environmental considerations for run-off, paved streets and parking, and carports and covered decks.

RIGHT: ANGELIE, HERMAN, ANGHEL, RHEMAN, AND JHASON SELUDO. THE SELUDOS ARE BUYING THEIR KETCHIKAN HOME THROUGH THRHA'S RENT-TO-OWN PROGRAM, PARTIALLY FUNDED THROUGH AHFC.





WILBUR GREEN BOUGHT AND REFINANCED HIS SALCHA HOME USING AHFC'S RURAL LOAN PROGRAMS.

## LOW-INTEREST RATES HELP RURAL ALASKANS BECOME HOMEOWNERS

### Seminars, refinancing benefit homeowners

Tamara and Denton Hamby met in Alaska while working for the Bureau of Land Management. She first came up as a summer seasonal worker in 2002, while Denton had already settled in Alaska from the Midwest. Then in 2003, she moved up full-time from upstate New York, met her future husband Denton, and they started a family. Tamara loves to garden and they enjoy rafting and hiking with their daughter, Madeline. Otto, a black lab, joined the family from the Valdez animal shelter.



The Hambys, first-time homebuyers, took HomeChoice™, AHFC's pre-homeownership class, and found it "very informative and helpful." They purchased their home with a competitive interest rate using AHFC's Owner-Occupied Rural Loan Program. Two hundred thirty-one Alaskans financed their homes in FY09, using \$49 million from the rural program.

Long-time Alaskan Wilbur Green of Salcha originally purchased his home in 1994 when interest rates were more than 7 percent, so he was eager to take advantage of AHFC's streamlined refinancing as interest rates plummeted.

ABOVE: TAMARA AND DENTON HAMBY RELAX ON THE DECK OF THEIR GLENALLEN HOME, FINANCED WITH AHFC'S RURAL LOAN PROGRAM.



# HomeChoice™

## AN INVESTMENT IN THE FUTURE

### Workshops that work

Buying a home can seem overwhelming, so AHFC offers free eight-hour seminars and makes them even more attractive by waiving up to \$250 of the commitment fee if a participant purchases a home using one of AHFC's programs within two years of attending the class.

IN FY09, AHFC:

- Conducted 191 HomeChoice™ workshops in 25 communities and 27 home studies, with 2,112 certificates issued; provided classes for real estate professionals and builders in three communities
- Enabled 1,514 Alaskans to purchase homes (\$331.6 million, a decrease of 33 percent from the previous year)
- Enabled 784 first-time homebuyers to purchase homes (\$148.8 million)
- Enabled 231 Alaskans to purchase homes in rural Alaska (\$48.8 million)
- Enabled 305 veterans to purchase homes under the Veterans Mortgage Program (\$86.2 million)
- Enabled no-down-payment home loans for 16 teachers and nurses in eight communities under AHFC's special loan option offered to teachers and health care professionals in Alaska (\$3.5 million)
- Enabled 115 low-income families to purchase homes with a lowered mortgage interest rate (\$14.9 million)
- Enabled 273 Alaska homebuyers to obtain lower interest rates under AHFC's energy-efficiency interest-rate reduction (\$62.8 million for up from \$14.9 million the previous year)
- Maintained average delinquency rate of 3.83 percent, up slightly from FY08
- Saw Alaska's homeownership rate drop to 63.7 percent from 66.6 percent compared to 67.3 percent nationally
- Provided zero percent loans totaling \$1.3 million to two non-profits under the Loans to Sponsors Program for down-payment and closing-cost assistance programs in under-served markets
- Enabled eight families to become homeowners through a grant of \$209,000 to subsidize construction of single-family homes for low-income borrowers under the Homeownership Development Program
- Enabled 44 Alaskans to become homeowners under the Home Opportunity Program (HOP) for developing low-income homeownership (\$734,000)





## ALASKA VETERANS BENEFIT FROM HEROES' BILL

### Alaska among five states to offer program

Legislation passed in May 2008 by the U.S. Congress provides \$1.3 billion in tax benefits. Officially dubbed the "Heroes Earning and Assistance Relief Act of 2008," the Act quadruples the loans states may issue each year to America's active duty, retired military service members and public servants.

The changes received high praise from Dan Fauske, CEO of AHFC. "Alaska's Congressional Delegation, with the strong, active support of our governor's office in Washington, D.C., ensured that members of Congress understood the importance of this provision," he said.

AHFC had worked since the mid-1990s in an effort to change the veterans' mortgage loan program. Alaska is one of only five states that offers the program, along with Oregon, Wisconsin, Texas, and California.

Last year, AHFC provided home loans for 305 veterans using \$86 million under the Veterans Mortgage Program.



THE WINGERS: ALEX, ALLISON, JOEY AND RETHA.

## HUNDREDS OF ALASKANS BECOME HOMEOWNERS EACH YEAR USING AHFC PROGRAMS

### Benefitting first-time home buyers

"This was a whole new experience," Retha Winger said. "The most stressful thing was locking in the interest rate."

The Wingers grew up in Alaska and met through a relative. The purchase of their first home in Sitka was made possible by AHFC's First-Time Home Buyer Program. Retha, who works for the City of Sitka, and Joey, a driver for UPS, enjoy their home with their children, Alex and Allison.

This year AHFC helped 784 Alaskans buy their first home, providing \$15 million in loans.

# 2009 HIGHLIGHTS

AHFC is a self-sustaining public corporation, which means it receives no state appropriations from the general fund to operate. Revenues earned by AHFC are re-invested into Alaska communities, primarily through the financing of single-family home mortgages, grants and capital projects.

Since 1986, AHFC has contributed more than \$1.9 billion to Alaska's state budget revenues through cash transfers, capital projects and debt service payments after paying all of AHFC's operating and capital expenditures. As of FY09, AHFC's assets total \$4.7 billion.

## HOMEOWNERSHIP

- Provided financing for 1,514 Alaskans to purchase homes (\$331.6 million, a decrease of 33 percent from the previous year)
- Provided financing for 784 first-time homebuyers to purchase homes (\$148.8 million)
- Provided financing for 231 Alaskans to purchase homes in rural Alaska (\$48.8 million)
- Provided financing for 305 veterans to purchase homes under the Veterans Mortgage Program (\$86.2 million)
- Provided no-down-payment home loans for 16 teachers and nurses in eight communities under AHFC's special loan option offered to teachers and health care professionals in Alaska (\$3.5 million)
- Provided financing for 115 low-income families to purchase homes with a below-market interest rate (\$14.9 million)
- Provided financing for 273 Alaska homebuyers to obtain lower interest rates under AHFC's energy-efficiency interest-rate reduction (\$62.8 million)
- Experienced average delinquency rate of 3.83 percent, up slightly from FY08
- Saw Alaska's homeownership rate drop to 63.7 percent from 66.6 percent compared to 67.3 percent nationally
- Provided zero percent loans totaling \$1.3 million to two non-profits under the Loans to Sponsors Program for down-payment and closing-cost assistance programs in under-served markets
- Enabled eight families to become homeowners through a grant of \$209,000 to subsidize construction of single-family homes for low-income borrowers under the Homeownership Development Program
- Enabled 44 Alaskans to become homeowners under the Home Opportunity Program (HOP) for developing low-income homeownership (\$734,000)





## RENTAL HOUSING

- Provided affordable, subsidized housing in properties owned by AHFC to 1,700 low-income families, seniors and Alaskans with disabilities and provided Housing Choice Vouchers to 4,150 families for rentals in the private sector
- Assisted 45 non-elderly persons with disabilities in Fairbanks through additional vouchers
- Assisted 35 Anchorage veterans through additional vouchers received under the Veterans Administration Supportive Housing (VASH) Program
- Purchased/originated 36 multi-family housing loans totaling \$24.8 million
- Committed \$852,309 for six Homeowner Association loans
- Enabled 61 teachers and health professionals to live in quality, affordable housing in rural Alaska through \$8 million in grants awarded for 13 projects in development throughout the state, bringing the total units to more than 263 since the program began in 2004
- Enabled 300 families in rural communities to have quality, affordable housing through grants of \$7.5 million to seven regional housing authorities under the Supplemental Housing Development Grant Program which was used to leverage \$37.7 million in federal NAHASDA funds
- Enabled 268 families to obtain affordable housing through funding for six rental housing projects, using \$48.9 million in grants and federal tax credits under the GOAL Program (LIHTC, SCHDF, DCEH, and HOME)
- Since 2007 when AHFC partnered with rentlinx to implement a free, interactive Web site [www.alaskahousinglocator.com](http://www.alaskahousinglocator.com) to connect tenants with landlords, the site has grown to 5,512 units in 241 properties statewide, with more than 6,000 property views monthly.

## WEATHERIZATION AND ENERGY

- Enabled 13,490 Alaskans to be reimbursed for their initial energy rating and encumbered \$81 million for their potential upgrades and reimbursement under the Home Energy Rebate Program
- Assisted thousands of Alaskans through Information Insights to create and manage a central waitlist for Home Energy Rebate Program; 4,874 on list at the end of FY09, with raters dispatched for 16,688 energy ratings
- Provided 273 homebuyers with lower interest rates for energy-efficient homes (\$62.9 million)
- Processing applications from 250 applicants for energy rebates per week; assisting more than 1,000 Alaskans per week through phone calls
- Applied to Department of Energy to help more than 2,000 disabled Alaskans through \$658,000 received for appliance rebates from American Recovery & Reinvestment Act (ARRA)
- Assisted 1,740 Alaskan families through home upgrades under the Weatherization Program
- Received \$18 million in ARRA funds and \$182,000 in formula funds for State Energy Programs (SEP)
- Received notification of \$9.5 million in Energy-Efficient Conservation block grants and \$262,969 for a project with the Regulatory Commission of Alaska
- Increased statewide certified energy raters from 30 to 107



## STATEWIDE PLANNING AND RESEARCH

- Led preparation of a 10-year Plan to Reduce Long-Term Homelessness in Alaska on behalf of the Alaska Council on Homelessness
- Completed the planning and development of the Annual Action Plan for the Housing & Community Development Plan (HCD) and the Annual Performance Report (APR), bringing \$7 million in HUD funds to Alaska
- Conducted the Winter 2009 statewide surveys of homeless service providers, which supports more than \$3 million in federal grant applications each year
- Compiled all housing market data for the Fall 2008 and Spring 2009 Alaska Housing Market Indicators Reports, comprehensive profiles of the Alaska housing market and construction costs, with an added feature that tracks foreclosures
- Prepared “Balance of State” Continuum of Care application for continued federal funding of homeless programs. This plan, completed each year on behalf of non-profit homeless service providers outside of Anchorage, enables providers to compete for and bring in approximately \$500,000 in federal homeless services funding



## PROGRAM DEVELOPMENT AND MANAGEMENT

- Developed the initial Moving to Work (MTW) plan with 14 strategies, received HUD approval, and received operational funding
- Finalized management of a four-year, \$1 million federal grant, which allowed operation of Aging & Disability Resource Centers in five regions of Alaska
- Reduced homelessness in Alaska and directly benefited 10,867 people by awarding \$2.5 million to 21 projects under the Homeless Assistance Program; leveraged \$2.5 million in federal funds, enabling 17 homeless services projects statewide to continue under the Grant Match Program
- Provided the means to supportive housing for 41 households with mental illness and developmental disabilities through the Special Needs Housing Grant Program, a joint venture with Alaska Mental Health Trust Authority and Department of Health & Social Services (\$4.4 million in capital funding, \$1 million in operating assistance, and \$1.5 million in supportive services)
- Submitted six grant applications for various AHFC and public housing programs and was awarded \$1.5 million in federal funds (HOPWA, Shelter Plus Care, HUD Technical Assistance Program)
- Provided grant management for 230 grants with \$65 million in grant payments
- Enabled 28 families to obtain quality, affordable housing through \$665,538 in Owner-Occupied Rehabilitation Program funds
- Assisted 45 senior households through a \$506,000 grant to administer the Senior Housing Accessibility Modification Program
- Provided support to Department of Homeland Security & Emergency Management for two state and state/federal disaster declarations for communities affected by flooding
- Held one round of Neighborhood Stabilization Program grants, awarding more than \$15 million for eligible activities in four communities
- Contributed to Alaska's economy through more than \$13.7 million in servicing fees to Alaska lenders

## AWARDS AND RECOGNITION

- Received awards from Alaska Professional Communicators: 1st Place: Web site edited by entrant; 1st place: Public Service: Built to Last Campaign; 1st Place: 2007 Employee Appreciation Lunch Speech; 1st place: Direct Mail Marketing: AHFC Energy & Weatherization Statewide Mailer; 2nd place: 2007 Annual Report
- Received Awards of Excellence from Public Relations Society of America Alaska Chapter: 1st Place: 2007 Annual Employee Appreciation Lunch Speech; 1st place: Direct Mail: AHFC Weatherization Statewide Mailer; 2nd place: Special Printed Promotional Materials: AHFC Activity Book; 2nd place: News/Feature Story Placement: AkWarm Weatherization Demonstration; 2nd place: 2007 Annual Report
- Received Aurora Award for excellence in campaigns from Public Relations Society of America Alaska Chapter: 2nd place: Built to Last campaign
- Recognized by the Mat-Su Board of Realtors as an honor society affiliate

## TRAINING/EDUCATION/TECHNICAL ASSISTANCE

- |  |  |   |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Facilitated 25 recipients of housing assistance to graduate from the Family Self-Sufficiency (FSS) Program</li> <li>• Expanded FSS, in collaboration with Alaska Department of Public Assistance, to 10 communities</li> <li>• Responded to thousands of requests to the Research Information Center (RIC) library from 54 Alaska communities and to more than 700 calls to the Senior Housing Office</li> <li>• Provided training to 185 attendees at Building HOME and Fair Housing &amp; 504 Regulations sessions</li> <li>• Saw a spike of 30,982 unique monthly visitors, with more than 50,000 monthly visits to the Web site (<a href="http://www.ahfc.us">www.ahfc.us</a>) immediately after announcement of the Home Energy Rebate Program and Weatherization funding. Visits averaged 21,639 per month by the end of the fiscal year</li> </ul> | <ul style="list-style-type: none"> <li>• Assisted Public Housing and Housing Choice Voucher Program clients to attend higher education or vocational schools through 10 awards of \$1,000 scholarships</li> <li>• Implemented a Read an Energy Rating class, which was presented 20 times over the last two-and-a-half months of the fiscal year</li> <li>• Provided information to 1,257 attendees at 59 events about energy rebate and weatherization programs</li> <li>• Developed a Home Energy Rebate Consumer Guide</li> <li>• Provided homebuyer education to 2,112 Alaskans through 191 HomeChoice™ workshops in 25 communities and 27 home studies; provided classes for real estate professionals and builders in three communities</li> </ul> | <ul style="list-style-type: none"> <li>• Provided more than 4,000 hours of technical assistance to current grantees, persons, and organizations applying for funds, and public and private-sector requests for statistical information on housing and the housing market</li> <li>• Provided sponsorship for the Anchorage/Mat-Su Senior Housing Fair; participated in Fairbanks Senior Recognition Day; co-sponsored the annual meeting of the Alaska Coalition on Housing and Homelessness; provided two Financial Management workshops</li> <li>• Partnered with the Division of Banking and AARP Alaska to provide 22 consumer protection and investor education workshops in 11 communities</li> <li>• Received notice of an additional \$130,000 in HUD Community Development Technical Assistance funds</li> </ul> |
|--|--|---|

# 2009 AT A GLANCE

## BORROWER AND SINGLE-FAMILY PROGRAM AVERAGE COMPARISON<sup>1</sup> FY09

	ALL PROGRAMS	TAX-EXEMPT FIRST-TIME HOME BUYER	TAXABLE FIRST-TIME HOME BUYER	TAXABLE <sup>2</sup>	VETERANS MORTGAGE <sup>3</sup>	RURAL HOUSING
Total Number of Loans	1,428	613	161	170	302	181
Total Dollar Volumes	\$330,879,399	\$115,527,688	\$40,321,582	\$47,194,557	\$86,339,166	\$41,318,906
Sales Price	\$231,708	\$188,463	\$250,445	\$277,615	\$285,891	\$228,281
Loan Amount	\$216,685	\$176,590	\$239,348	\$239,714	\$281,362	\$203,352
Loan-to-Value Ratio	93.72%	93.45%	95.79%	87.48%	99.04%	89.94%
Interest Rate	5.937%	5.836%	6.170%	6.226%	5.908%	5.849%
P & I Payment	\$1,302.38	\$1,047.40	\$1,468.92	\$1,479.98	\$1,677.02	\$1,229.49
Monthly Income	\$6,435	\$4,779	\$7,939	\$7,872	\$8,010	\$6,743
Age of Borrower	35	32	35	42	36	38
Household Size	2	2	2	3	3	2

<sup>1</sup> Excludes owner/builder, purchase renovation, non-conforming, and refinance loans <sup>2</sup> Excludes Taxable First-Time Home Buyer Loans <sup>3</sup> Includes Tax-Exempt Veterans

FEATURES USED IN CONJUNCTION WITH ABOVE PROGRAMS	LOANS	FUNDS
Interest-Rate Reduction for Low-Income Borrowers	115	\$14,948,024
Energy-Efficiency Interest-Rate Reduction	273	\$62,850,592
Educator/Health Care Professional Loan Option	16	\$3,482,782



## LOW-INCOME HOUSING TAX CREDIT PROJECTS

FISCAL YEAR	NUMBER OF PROJECTS	UNITS	ALLOCATION
1987	1	22	\$623,070
1988	0	0	0
1989	2	107	\$2,109,370
1990	1	16	\$544,980
1991	1	23	\$715,750
1992	2	39	\$1,625,940
1993	2	55	\$1,543,690
1994	6	297	\$20,275,210
1995	1	87	\$7,836,510
1996	7	238	\$21,397,510
1997	4	120	\$5,680,930
1998	6	195	\$11,053,950
1999	4	61	\$6,748,600
2000	7	610	\$14,439,705
2001	6	165	\$20,830,370
2002	7	205	\$23,203,550
2003	6	143	\$19,927,920
2004	6	164	\$23,211,450
2005	5	128	\$21,250,000
2006	4	213	\$21,900,000
2007	4	163	\$19,556,930
2008	3	148	\$31,999,650
2009	3	244	\$39,708,590
Totals	88	3,443	\$316,183,675

## HOME FUND PROJECTS

FISCAL YEAR	NUMBER OF PROJECTS	UNITS	DOLLAR VOLUME
1992	1	1	\$57,677
1993	0	0	0
1994	3	36	\$820,636
1995	0	0	0
1996	6	109	\$3,286,884
1997	5	152	\$2,571,906
1998	3	76	\$1,953,585
1999	4	50	\$1,931,692
2000	4	69	\$406,250
2001	6	53	\$1,664,314
2002	4	46	\$1,677,475
2003	5	65	\$2,058,971
2004	3	55	\$1,950,000
2005	4	28	\$1,676,335
2006	3	46	\$1,335,697
2007	5	83	\$2,146,111
2008	5	112	\$2,948,299
2009	3	74	\$1,559,921
Totals	64	1,055	\$28,044,753

## MULTI-FAMILY PROJECTS

FISCAL YEAR	NUMBER OF PROJECTS	UNITS	DOLLAR VOLUME
1992	6	592	\$15,355,700
1993	2	41	\$1,705,000
1994	12	522	\$13,501,336
1995	6	246	\$15,763,350
1996	16	800	\$73,012,335
1997	21	460	\$9,939,780
1998	29	532	\$17,519,540
1999	79	1,097	\$34,705,731
2000	76	1,468	\$54,156,876
2001	117	2,976	\$103,847,605
2002	94	1,375	\$58,477,200
2003	62	979	\$47,363,301
2004	63	1,593	\$87,297,150
2005	54	890	\$43,052,750
2006	36	543	\$32,621,750
2007	29	254	\$14,839,300
2008	27	401	\$11,928,835
2009	27	658	\$17,365,350
Totals	756	15,427	\$652,452,889

## SENIOR CITIZEN HOUSING DEVELOPMENT FUND PROJECTS

FISCAL YEAR	NUMBER OF PROJECTS	UNITS	SCHDF FUNDS
1994	5	126	\$2,197,671
1995	0	0	0
1996	1	13	\$773,150
1997	2	40	\$1,484,807
1998	5	127	\$3,046,239
1999	1	8	\$156,250
2000	1	26	\$675,000
2001	3	39	\$2,030,521
2002	2	13	\$2,651,000
2003	4	77	\$2,109,460
2004	0	0	0
2005	3	62	\$1,275,000
2006	4	32	\$3,460,074 <sup>1</sup>
2007	5	96	\$5,366,546 <sup>2</sup>
2008	6	54	\$9,271,104 <sup>3</sup>
2009	4	83	\$4,439,469 <sup>4</sup>
Totals	46	796	\$38,936,291

<sup>1</sup> Includes \$1,960,074 in Denali Commission funds

<sup>2</sup> Includes \$2,866,546 in Denali Commission funds

<sup>3</sup> Includes \$5,707,449 in Denali Commission funds

<sup>4</sup> Includes \$2,131,823 in Denali Commission funds

## EMPLOYEES

Phill Adams • Penny Allen • Sandra Amox • John Anderson • Nancy Anderson • Ross Anderson • Roy Anderson • Steve Anderson • Debbie Andrys • Griselda Andujar • Debra Athan • Sue Ayers • Kelvin Bailey • Brian Baines • Nancy Barnacle • Linda Barnett • Kristian Beckner • Toni Bell • Vince Benjamin • Ineke Benkers • Tony Berdahl • Brian Blackwell • Martha Blanchett • Permelia Boatman • Nathan Bodewitz • Cary Bolling • Peter Bonadurer • Genie Borgford • Karl Bowers • Debbie Boyce • Kimberly Branch • Bob Brean • Nick Brewer • Danny Brown • Kelley Brown • Tiffany Brown • Linda Bueltmann • Mike Buller • Diane Buls • Mimi Burbage • Bryan Butcher • Toni Butler • Doreen Calahan • Jesseri Calahan • Les Campbell • Casey Campbell-Boyer • Dale Canoy • Judith Carr • Maria Carter • Marion Carter • Oscar Cedano • Nola Cedergreen • Ed Chan • Michelle Chase • Cera Choi • Naomi Christensen • Inge Clark • Patrick Cochran • Colin Coker • Esther Combs • Juan Corral • Kim Coy • Doc Crouse • Mike David • Bernard Davis • Maria DeBaun • Steve DeBusk • Jeanette Delaney • Daniel Delfino • Martin Delfino • John DeMott • Gerry Deta • James Diemer • Marlon Dimatulac • Jeff Doll • Christopher Doucette • Sherrylee Dovolos • Joe Dubler • Kris Duncan • Pam Duran • Wayne Eacker • Sheila Edward • Dianna Erwin • Anica Estes • Gregory Evans • Diana L. Faude • Diane E. Faude • Martin Faulkner • Dan Fauske • Robert H. Ferguson III • Les Forbes • Anita Ford • Victor Forrester • Kay Fountain • Dennis Fradley • Gary Frise • Eileen Frison • Margaret Gaspar • Jerusha Gatfield • Christie George • Brenda Glaze • Kathleen Goddard • David Gonzales • Tere Gordon • Paula Graber • Renee Griffin • Debbie Grizzle • Jim Gurke • Peter Haines • Betty Hall • Sheryl Hall • Lona Hammer • Theresa Hampton • Jennifer Hamsley • Cynthia Hanson • Jeri Harris • Eric A. Havelock • Christopher Haynes • Roger Helmer • Amy Hiley • Candace Hiner • Elaine Hodl • Dawn Hoeberrmann • Eric Hoffman • Elaine Hollier • Marjorie Holt • Laurie Holte • Marilyn Holvoet • Tammy Hunter-Greco • Deborah Inama • Kyle Inman • Arturo Irizarry • Gary Isaacson • Tammie James • Shelly Jehlen • Margaret Jetton • Marietta Jim • Anna Jolliff • Mona Jones • Paul Kapansky • Samantha Karabel • Bob Kelly • John Keogh • Joseph Kilian • Kelli Killian • Terry Kincaid • Robert Koerperich • Daniel Kuntze • Kathy Lepley • James Lester • Carl Lewis • Tanya Lewis • Wilda Libby • Beverly Lopez • Tommy Macon • David Maiden • Carleen Mangold • Debra Manzo • Charles Martin • Joseph Martin • Brian D. Massey • Bernie Massin • Willy J. Mathias • Jim McCall • Joanne McClure • Dymitrik McDonald • Dave McDowell • Peggy McGuire • Jay McInerney • Charles McKenry, Sr. • Melanie McNally • Carol McPherron • Elaine M. Mello • Klaus Menn • Teeny Metcalfe • David Michaelson • Jennifer Mills • Lisa Mingo • Kathy Minor • Glenn Molyneux • Andy Montoya • Bette Morrison • Maude Morse • Alan Musy • Charlotte Nasise • Timothy Nelson • Janet Niemann • James Nitchman • Jeanie Nixa • Lindsay Novotney • Christopher Ochap • Regina O'Keefe • Stacy Olsen • Judy Ondeck • Beverly Ovitt • Sandra Palmer • Robyn Parmelee • David Pasurishvili • Victor Peralta • Michael Phelps • Harold "Hap" Pierce • Lee R. Piper • Hess Poland • Ana Poulivaati • Jason Price • Tiffany Price • Cristine Prosak • Susan Ramsdell • Roy Range • Terri Ready • Greg Reed • Ken Reeves • Sarah Remaklus • Thomas Remaklus • David Remme • James Rheault • Donnis Richard • Carol Richards • Clark Richardson • Rosie Ricketts • Mark Romick • Ray Rouzan • Patti Ruppert • Timothy Russell • Holly Rutka • Robenett Sagalkin • Grant Salisbury • Linda Samuelson • Marsland Sanders • Jeniffer Santos • Karen Savage • Charles Scherbaum • Fina Schlosser • Megan Schmidt • Kathleen Schmitt • Sondra Sears • Brian Seim • Nina Sexton • Robert Sherry • Karen Shull • Lacy Simmler • Sherrie Simmonds • Susan Simonds-McHone • Debbie Sims • Colette Slover • Jill Smart • Herman Smith • Melanie Smith • Vickie Snelgrove • Ruth Snelling • Michelle Snook • Cindi Sowder • James Spalding • Cyndy Speight • Cynthia Spezialy • Pamela Stantorf • Tammy Steele • Arthur Stephens • Michele Stewart • Catherine Stone • Michael Strand • Mike Sullivan • Jose Sumabat • Pola Takher • Martin Thies • R. Kevin Tune • Glen Turner • Ray Utter • Arlene Vanness • Patricia M. Verdugo • Rodney Vitt • Douglas Wade • Robert Waetjen • Jacob Walker • Anesha Wallace • Scott Waterman • Michael West • David White • Deidre White • James Wiedle • Esther Williams • Virgalee Williams • Kathleen Wills • Victoria Wilson • Greg Wood • James Wright • Laurie Wright • Deborah Zenger •

## PARTNERS

Adult Learning Programs of Alaska • Advantage Mortgage • Alaska Association of Housing Authorities • Alaska Building Science Network • Alaska Commission on Aging • Alaska Community Development Corporation • Alaska Craftsman Home Program • Alaska Department of Environmental Conservation • Alaska Dept. of Commerce, Community & Economic Development • Alaska Dept. of Corrections • Alaska Dept. of Health & Social Services • Alaska Dept. of Military & Veterans Affairs • Alaska Division of Public Assistance • Alaska Energy Authority • Alaska Fire Marshall's Office • Alaska Funders Group • Alaska Industrial Development Authority • Alaska Legal Services • Alaska Mortgage Bankers Association • Alaska Native Tribal Health Consortium • Alaska Pacific Bank • Alaska State Home Builders' Association • Alaska State Library • Alaska Statewide Independent Living Council • Alaska SUN • Alaska USA Federal Credit Union • Alaska USA Mortgage Company • Alaska Works Partnership • Alaskan AIDS Assistance Association • Aleutian Regional Housing Authority • American Lung Association of Alaska • Analysis North • Anchorage Board of Realtors • Anchorage Community Mental Health Services • Anchorage Home Builders Association • Anchorage Housing Initiatives • Appraisers • Arctic Energy Systems • Arctic Technical Services • Association of Alaska Housing Authorities • Association of Village Council Presidents • Attorneys • Bank of America, N.A. • Baranof Island Housing Authority • Bering Straits Regional Housing Authority • Blu Spruce • Boys & Girls Clubs Alaska • Bristol Bay Housing Authority • Builders • Building Science Consortium • Campfire • Canada Mortgage and Housing Corporation • Canadian Mortgage Housing Corporation • Catholic Community Services • Catholic Social Services • Center for Universal Design • Centers for Independent Living • Alaska Coalition on Housing and Homelessness • Cold Climate Housing Research Center • Construction and home inspectors • Cook Inlet Housing Authority • Copper River Basin Regional Housing Authority • Denali Alaskan Mortgage • Denali Commission • Denali State Bank • Division of Senior & Disability Services • Energy and Environmental Building Association • Energy OutWest • Energy raters • First Bank • First National Bank Alaska • Flattop Technical Services • For-profit housing developers • Golden Valley Electric • Governor's Council on the Homeless • Habitat for Humanity Anchorage • Heat Loss Analysis • Homestate Mortgage Company • Kodiak Island Housing Authority • Housing service providers • Independent Living Center • Interior AIDS Association • Interior Home Builder's Association • Interior Regional Housing Authority • Interior Weatherization • Internal Revenue Service • Juneau Arts and Humanities • Juneau Home Builder's Association • Kenai Home Builder's Association • Kenai Peninsula Housing Initiatives • Ketchikan Home Builder's Association • Kodiak Island Housing Authority • Mat-Su Home Builder's Association • Metlakatla Housing Authority • Mt. McKinley Bank • Municipal League • Municipality of Anchorage • NAHB Research Center • National Association of Community Service Providers • National Association of State Energy Officials • Native corporations • NeighborWorks Anchorage and Fairbanks • Nine Star Enterprises • North Pacific Rim Housing Authority • Northrim Bank • Northwest Energy Coalition • Northwest Inupiat Housing Authority • Opportunity Council Preferred Mortgage • Private Foundations • Real estate professionals • Renewable Energy Action Program • Rental property managers/owners • Residential Mortgage, LLC • Rural Community Action Program (RuralCAP) • Rural Sanitation Coalition • The Salvation Army • Senior housing advocates • Social service non-profits • Southeast Regional Resource Center • Special needs service providers • Spirit of Alaska Federal Credit Union • State of Alaska Senior Services/Commission on Aging • Statewide Independent Living Council • Summit Mortgage • Surveyors • Tagiugmiuller Nunamiullu Regional Housing Authority • Tanana Chiefs Conference • The Foraker Group • Title companies • Tlingit Haida Regional Housing Authority • Tribes • Tax credit investors • U.S. Arctic Research Commission • U.S. Consumer Product Safety Commission • U.S. Department of Treasury • U.S. Dept. of Agriculture Rural Development • U.S. Dept. of Energy • U.S. Dept. of Housing and Urban Development (HUD) • U.S. Environmental Protection Agency • U.S. Green Building Council • University of Alaska • University of Alaska Fairbanks Cooperative Extension Service • University of Alaska Southeast • Valley Residential Services • Veterans Administration • Wells Fargo Home Mortgage • Wisdom and Associates • Yukon-Kuskokwin Health Corp.

# 2009 FINANCIAL HIGHLIGHTS



AHFC issued a total of \$287.6 million of long-term debt during FY 2009 to continue its various ongoing lending programs. As of June 30, 2009, a total of \$2.87 billion of long-term debt, net of associated discount and premiums, was outstanding. The following table summarizes the long-term debt issued by the Corporation during FY 2009:

BOND ISSUE TITLE AND AMOUNT	RATINGS: S&P MOODYS FITCH	DATE ISSUED	PROGRAM/PROJECT FUNDED	TAX STATUS
\$80,800,000 Home Mortgage Revenue Bonds, 2008 Series B	AA Aa2 AA+	September 30, 2008	First-Time Homebuyers	Tax-Exempt
\$45,000,000 Collateralized Notes, 2008 Second Series	AAA / SP-1+ Aaa / MIG1 AAA / F1+	December 23, 2008	Veterans Mortgage Program	Tax-Exempt
\$80,800,000 Home Mortgage Revenue Bonds, 2009 Series A	AA / A-1+ Aa2 / VMIG1 AA+ / F1+	May 28, 2009	First-Time Homebuyers	Tax-Exempt
\$80,800,000 Home Mortgage Revenue Bonds, 2009 Series B	AA / A-1+ Aa2 / VMIG1 AA+ / F1+	May 28, 2009	First-Time Homebuyers	Tax-Exempt

## HOME MORTGAGE REVENUE BONDS (FIRST-TIME HOMEBUYERS PROGRAM)

Generally, these bonds are sold to provide funding for the continuance of AHFC's First-Time Homebuyer (FTHB) Program.

### **\$80,800,000 2008 Series B**

This transaction closed on September 30, 2008. Proceeds were or will be used to purchase qualified mortgage loans that have already been warehoused or will be originated by the Corporation. Interest on the bonds is not subject to the alternative minimum tax.

### **\$80,800,000 2009 Series A**

This transaction closed on May 28, 2009. Proceeds were used to refund or advance refund certain outstanding obligations of the Corporation. Interest on the bonds is not subject to the alternative minimum tax.

### **\$80,800,000 2009 Series B**

This transaction closed on May 28, 2009. Proceeds were used to refund or advance refund certain outstanding obligations of the Corporation. Interest on the bonds is not subject to the alternative minimum tax.



## COLLATERALIZED BONDS (VETERANS MORTGAGE PROGRAM)

Generally, these bonds are sold to provide funding for the continuance of AHFC's tax-exempt financed Veterans Mortgage Program (VMP).

### \$45,000,000 2008 Second Series

This transaction closed on December 23, 2008, and was structured entirely as collateralized notes maturing December 1, 2009. Subsequent to the anticipated refunding of the notes, proceeds will be used to purchase qualified Veterans Mortgage Program loans that have already been warehoused or will be originated by the Corporation. The repayment of principal and interest on the notes is unconditionally guaranteed by the State of Alaska.



## AHFC REPORTS DECREASE IN OPERATING INCOME FOR FISCAL YEAR 2009

The Corporation posted operating income of \$21.4 million for FY 2009, a decrease of 39.5 percent compared to FY 2008. The Corporation's assets exceeded its liabilities as of June 30, 2009, by \$1.67 billion (net assets). During FY 2009, the Corporation's loan portfolio decreased 7.4 percent to \$3.20 billion, while investments increased 1.3 percent to \$1.25 billion. Long-term debt decreased 8.5 percent to \$2.87 billion.

## AHFC CONTRIBUTIONS TO THE STATE OF ALASKA

The Corporation continued its series of annual contributions to the State of Alaska. Payments and other transfers to the State for FY 2009 totaled \$15.4 million, bringing the total contributions to the State of Alaska through FY 2009 to more than \$1.9 billion.

As of FY 2009 and beyond, the Transfer Plan calls for payment of the lesser of \$103 million or 75 percent of the Corporation's operating income.



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